



CALIFORNIA STATE PUBLIC WORKS BOARD

ARNOLD SCHWARZENEGGER, GOVERNOR

915 L STREET ■ NINTH FLOOR ■ SACRAMENTO CA ■ 95814-3706 ■ (916) 445-9694

STATE PUBLIC WORKS BOARD November 17, 2006 Meeting MINUTES

PRESENT:

Ms. Anne Sheehan, Chief Deputy Director, Department of Finance
Mr. Andrew Chang, Chief Deputy Director, Department of General Services
Mr. Randy Iwasaki, Chief Deputy Director, Department of Transportation
Mr. Francisco Lujano, Deputy Treasurer, State Treasurer's Office
Ms. Cindy Aronberg, Deputy Controller, State Controller's Office

ADVISORY MEMBER:

Director, Employment Development Department

LEGISLATIVE ADVISORS:

Assembly Member
Assembly Member Wilma Chan
Assembly Member Lloyd E. Levine
Senator Gilbert Cedillo
Senator Wesley Chesbro

STAFF PRESENT:

Karen Finn, Administrative Secretary, Public Works Board
Brian Dewey, Assistant Administrative Secretary
Theresa Gunn, Assistant Administrative Secretary
Henry Nanjo, Counsel to the Public Works Board
Christina Ahn, Budget Analyst
Matt Schuller, Budget Analyst
Stan Hiuga, Budget Analyst
Randy Katz, Budget Analyst
Chris Sanford, Secretary to the Public Works Board

OTHERS PRESENT:

Liz Steller, Department of Parks and Recreation
Warren Westrup, Department of Parks and Recreation
David Wakabayahi, Department of Parks and Recreation
Tiffany S. Connelly, State Treasurer's Office
Linda Calvert, Department of General Services, APE
Lyssa Bennett, Department of General Services
Lilian Lee, Department of General Services
Liz Yokoyama, Department of General Services
Greg Holtom, Department of General Services
Sarah Thamer, Department of General Services
Julie Gordano, State Treasurer's Office
Hoss Khatami, Legislative Analyst's Office
Dave Koelher, San Joaquin River Parkway and Conservation Trust

CALL TO ORDER AND ROLL CALL:

Ms. Anne Sheehan, Chairperson of the SPWB and Chief Deputy Director for the Department of Finance, called the meeting to order at 10:15 a.m. Ms. Karen Finn, Administrative Secretary for the State Public Works Board, called the roll. A quorum was established.

(I note that because there was no sitting Director on the Board's current panel, 1 vote will be subtracted from the vote count.)

The first order of business was approval of the Minutes from the October 18, 2006 meeting.

A motion was made by Mr. Iwasaki and Second by Mr. Chang to approve the Minutes from the October 18, 2006 meeting.

The Minutes were approved by a 4-0 vote (1 vote not counted).

BOND ITEMS:

Ms. Finn stated that Bond Item # 1, for the California Conservation Corp, *Tahoe Base Center Relocation project* in El Dorado. The requested action would adopt a supplemental resolution authorizing actions to be taken to provide for of interim financing and authorizing the sale of lease revenue bonds. Staff recommended adoption and approval.

A motion was made by Mr. Lujano and Second by Ms. Aronberg to approve Bond Item # 1.

Bond Item # 1 was approved by a 4-0 vote (1 vote not counted).

Ms. Finn reported that Bond Item #2 was for the Department of Mental Health's Atascadero State Hospital for a Multi-Purpose Building. The maximum par value of the bonds for this series would be no more than \$18,000,000 and the maximum true interest cost would not exceed 5.75 percent. Staff recommended adoption and approval.

A motion was made by Mr. Chang and Second by Ms. Aronberg to approve Bond Item # 2.

Bond Item # 2 was approved by a 4-0 vote (1 vote not counted).

Ms. Finn reported that Bond Item #3 was for two projects for the Department Of Corrections and Rehabilitation's, Ironwood State Prison in Blythe, Correctional Treatment Center, Phase II and California State Prison, Sacramento, Psychiatric Services Unit/Enhanced Outpatient Care, Phase II. The maximum par value of the bonds for this series would be no more than \$28,000,000 and the maximum true interest cost would not exceed 5.75 percent. Staff recommended adoption and approval.

A motion was made by Mr. Lujano and Second by Mr. Iwasaki to approve Bond Item # 3. Bond Item #3 was approved by a 4-0 vote (1 vote not counted).

Ms. Finn reported that Bond Item #4 was for the California State University's Physical Science Replacement Building in Los Angeles (Wing A). The maximum par value of the bonds for this series would be no more than \$59,000,000 and the maximum true interest cost would not exceed 5.75 percent. Staff recommended adoption and approval.

A motion was made by Ms. Aronberg and Second by Mr. Lujano to approve Bond Item # 4.

Bond Item #4 was approved by a 4-0 vote (1 vote not counted).

Ms. Sheehan thanked and excused the representatives from the State Controller's Office and State Treasurer's Office

CONSENT CALENDAR:

Ms. Finn then reported the consent calendar which covered Items numbering 5-11. In summary these items proposed: (Consent Items # 5 - #11)

- 1 request to authorize disposal of state surplus property [5]
- 1 request to authorize the acquisition of real property through the acceptance of a no cost acquisition [6]
- 1 request to authorize acquisition [7]
- 1 request to authorize site selection [8]
- 1 request to approve preliminary plans [9]
- 2 requests to approve reversion due to project termination [10,11]

There was **one** 20-day letters for this agenda.

(LETTER 1)

The letter was for Consent Item # 10 and 11, California State University's projects '*Educational Resource Center Addition in Dominguez Hills*' And '*Science Replacement Building Wing B in Los Angeles*'

—The letter, noticing Staff's intent to recommend approval of reversions, was sent to the appropriate Legislative Committees on October 6, 2006 and expired on October 26, 2006 without comment.

In summary: staff recommended approval of the **Consent Calendar** consisting of Items numbered 5 thru 11.

Ms. Sheehan asked if there was any public to comment on these items?
There was no response.

A motion was made by Mr. Iwasaki and Second by Mr. Chang to approve the Consent Calendar

The Consent Calendar was approved by a 2-0 vote (1 vote not counted).

ACTION ITEMS

Ms. Finn then stated that there were three Action Items on the agenda. Action Item #12 would authorize an acquisition of .11 acres for the Department of Park and Recreations at the El Presidio de Santa Barbara State Historic Park. At the time when staff had brought this item to the Board before when Parks requested a site selection, the department did not think there would be any relocation costs for existing tenants. Because of a misunderstanding of the relocation offer that had been made to the tenants it would now appear that the tenants would be entitled to relocation and the estimated expenses of those are approximately \$68,000. Parks indicated that the costs can be accommodated within the resources available for this acquisition. In addition, Staff informed the Board that this purchase agreement would not contain the state's standard indemnification language. However, the lack of the language would not release the seller from any liability and the seller had been notified of that.

Ms. Sheehan asked who or what was being relocated?

Mr. Warren Westrup, Chief of Acquisitions for California State Parks and Recreation, answered that 3 tenants (1 master tenant and 2 sub-tenants) had waivers. DGS determined that the tenants did not know their rights at the time of notice; approximately 10 years ago, and were now determined to be eligible for relocation costs.

Ms. Iwasaki asked why the agreement did not have the standard indemnification language.

Mr. Westrup answered that the Santa Barbara Trust for Historic Preservation (Trust) had done a Phase I/II site assessment and found no contamination. Parks have been given warranties that the Trust has not done anything to the land to cause or add contamination; therefore, if any toxic contamination was later found the responsible parties would be the previous owners of the land, not the Trust. Hence, the language is left out of the agreement with the Trust.

Ms. Sheehan asked for any other comments from the public. There was no response.

A motion was made by Mr. Chang and Second by Mr. Iwasaki to approve Action Item #12 Action Item #12 was approved by a 2-0 vote (1 vote not counted).

Ms. Finn then reported on Action Item #13. This item would approve the addition of various properties to an existing agreement with this Board and the San Joaquin River Parkway and Conservation Trust, a public benefit non-profit organization. In addition the action would authorize Staff to execute letter agreements or amendments on behalf of the Board. In March 2001 this Board entered into the original agreement pursuant to the GC 831.5 which authorized certain non-profit organizations to avail themselves of the benefits of limited "public entity" status for purpose of limiting their tort liability in providing public access on lands that they own or manage. This agreement allowed the trust to add an additional 14 properties to the agreement to provide additional public access that the state would not otherwise be able to provide. The trust provided resources in the form of volunteers and management tasks of the properties. Staff recommended approval.

Ms. Sheehan asked if GC 831.5 had been challenged in the courts or had any history of litigation.

Mr. Henry Nanjo, Counsel to the Board, replied there was none that he knew of.

A motion was made by Mr. Chang and Second by Mr. Iwasaki to approve Action Item #13 Action Item #13 was approved by a 2-0 vote (1 vote not counted).

Ms. Finn then reported on the last Action Item #14. This item would authorize an augmentation for the Veteran's Yountville Annex 1 renovation of 8.7 percent of the projects total. Normally this would have been an action delegated to Staff to undertake. It was only brought to the Board's attention because DGS had indicated having problems with the contractor on the project. There was a strong likelihood that additional funds would be necessary in the future. This first augmentation was to provide funds to re-do a portion of the project that had originally been completed in a faulty manner.

A motion was made by Mr. Chang and Second by Mr. Iwasaki to approve Action Item #14 Action Item #14 was approved by a 2-0 vote (1 vote not counted).

OTHER BUSINESS:

Ms. Finn then reported that there was one Other Item which was approval of the 2005-06 Annual Audit Reports and financial statements for the board's two funds, the Public Building

Construction fund and the High Technology Education Revenue Bond fund. Staff recommended approval.

A motion was made by Mr. Iwasaki and Second by Mr. Chang to approve Other Item #15 Other Item 15 was approved by a 2-0 vote (1 vote not counted).

REPORTABLES:

Ms. Finn reported that there were **two** reportable items for this month that staff had approved under authority delegated by the Board.

NEXT MEETING:

Ms. Finn informed the Board that the next meeting was set for **Friday, December 8, 2006, at 10:00 AM, at the State Capitol, Room 113.**

Ms Sheehan asked if there were any comments or questions from the public before adjournment.

No answer was forthcoming

Ms. Sheehan adjourned the meeting at 10:35 a.m.

AGENDA AND STAFF ANALYSIS

**NOTICE OF MEETING
STATE PUBLIC WORKS BOARD
Friday
November 17, 2006**

The **STATE PUBLIC WORKS BOARD** will meet on, **Friday November 17, 2006, at 10:00 a.m. in the Redwood Room at 915 L Street, Sacramento, California.** In accordance with provisions of Section 11125 of the Government Code, a copy of the Agenda is attached.

Karen Finn
Administrative Secretary

Attachment

STATE PUBLIC WORKS BOARD

Friday

November 17, 2006

10:00 a.m.

REDWOOD ROOM

915 L Street

Sacramento, California

I. Roll Call

Michael C. Genest, Director, Department of Finance
Ron Joseph, Director, Department of General Services
Cindy McKim, Deputy Director, Department of Transportation
Cindy Aronberg, Deputy Controller, State Controller's Office
Francisco Lujano, Director Securities Management Division, State Treasurer's
Office
Director, Employment Development Department
(Advisory Member)

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Assembly Member, Legislative Advisor
Assembly Member, Wilma Chan, Legislative Advisor
Assembly Member, Lloyd E. Levine, Legislative Advisor
Senator, Wesley Chesbro, Legislative Advisor
Senator, Gilbert Cedillo, Legislative Advisor
Senator, Legislative Advisor

II. Approval of minutes from the October 18, 2006 meeting
Report on conditional approvals of last meeting.

III. Bond Items	Page 4
IV. Consent Items	Page 16
V. Action Items	Page 34
VI. Other Business	Page 45
VII. Reportables	Page 45

BOND ITEM

BOND ITEM – 1

**CALIFORNIA CONSERVATION CORPS (3340)
TAHOE BASE CENTER RELOCATION
EL DORADO COUNTY**

*Authority: Chapter 157/03, Item 3340-301-0660 (1),
as partially reappropriated by Chapter 208/04, Item 3340-490
and Chapters 38 and 39/05, Item 3340-490,
as partially reverted by Chapters 47 and 48/06, Item 3340-495;
Chapters 47 and 48/06, Item 3340-301-0660 (1)*

Adopt a supplemental resolution to:

1. Authorize the use of interim financing to be repaid from the Public Buildings Construction Fund from the proceeds from the sale of bonds consistent with increased project authority.
2. Authorize the sale of the State Public Works Board Lease Revenue Bonds.

Total Estimated Bond Authorization:

\$26,680,000

APPROVE 4/0 (1 VOTE NOT COUNTED)

BOND ITEM

STAFF ANALYSIS ITEM – 1

California Conservation Corps
Tahoe Base Center Relocation
El Dorado County

Action requested

The requested action will adopt a resolution authorizing actions to be taken to provide for interim financing and authorizing the sale of lease revenue bonds.

Scope Description

This project is within scope. Includes renovation of an existing Residence Building (23,868 gsf), construction of a new Multipurpose/Kitchen Building (6,600 gsf), new Administration Building (12,244 gsf) and new one story Garage and Shop (3,871 gsf). Site work will include AC paving, sidewalks, tree protection, filter fencing, retaining walls, lighting, water, sewer, gas, electrical, telephone and television connections.

Funding and Cost Verification

This project is within cost. Chapter 157/03, Item 3340-301-0660 (1), as partially reappropriated by Chapter 208/04, Item 3340-490 and Chapters 38 and 39/05, Item 3340-490, and as partially reverted by Chapters 47 and 48/06, Item 3340-495, reserved \$473,000 in study/acquisition funding for this project. Chapters 47 and 48/06, Item 3340-301-0660 (1) provides a new appropriation of \$26,207,000 for study/acquisition, preliminary plans, working drawings, and construction to relocate the Tahoe Base Center in El Dorado County.

\$26,680,000 total authorized project costs

\$26,680,000 total estimated project costs

\$473,000 project costs previously allocated: study/acquisition \$473,000

\$26,207,000 project costs to be allocated: study/acquisition \$7,507,000, preliminary plans \$769,000, working drawings \$998,000, and construction \$16,933,000
(\$13,726,000 contract, \$961,000 contingency, and \$2,246,000 A&E)

CEQA

An environmental document will be prepared and filed in accordance with all applicable laws.

Due Diligence

The due diligence investigation for site acquisition is currently being conducted. A due diligence document will be prepared to address the condition of title and any issues that may impact the quiet enjoyment of the property for the bond-financed facility.

Project Schedule

The project schedule is as follows:

Complete study:	January 2007
Complete acquisition:	May 2007
Approve preliminary plans:	October 2007
Complete construction:	August 2008

Staff Recommendation: Adopt resolution

BOND ITEM

BOND ITEM – 2

**DEPARTMENT OF MENTAL HEALTH (4440)
ATASCADERO STATE HOSPITAL, MULTI-PURPOSE BUILDING
SAN LUIS OBISPO COUNTY**

Authority: Chapter 379/02, Item 4440-301-0660 (1)

Adopt a resolution to:

1. Authorize the sale of the State Public Works Board Lease Revenue Bonds—Department of Mental Health, 2006 Series I, Atascadero State Hospital Multi-Purpose Building.
2. Approve the form of and authorize the execution of a Supplemental Indenture between the State Treasurer and the State Public Works Board.
3. Approve the form of and authorize the execution of a Site Lease between the Department of Mental Health and the State Public Works Board.
4. Approve the form of and authorize the execution of a Facility Lease between the Department of Mental Health and the State Public Works Board.
5. Approve the form of and authorize the execution of a Continuing Disclosure Agreement.
6. Approve and authorize the execution and delivery of a Preliminary Official Statement.
7. Approve and authorize the execution and delivery of an Official Statement.
8. Approve other related actions in connection with the authorization, issuance, sale, and delivery of said revenue bonds.

Estimated Project Costs to be Financed:	\$13,703,000
Estimated Par Value of Bonds to be Issued:	\$14,590,000 with
“To Not Exceed” Par Amount to be Approximately	\$18,000,000

APPROVE 4/0 (1 VOTE NOT COUNTED)

BOND ITEM

STAFF ANALYSIS ITEM – 2

Department of Mental Health
Atascadero State Hospital, Multi-Purpose Building
San Luis Obispo County

Action Requested

The requested action would authorize the sale of the lease revenue bonds and other related actions in connection with the issuance, sale and delivery of said revenue bonds, including the approval of the forms of and authorizing the execution and delivery of a supplemental indenture, a site lease, a facility lease, a continuing disclosure agreement, a preliminary official statement and an official statement.

Scope Description

This project is within scope. This project consists of approximately 44,700 square feet on one floor. The building houses a skills development complex, academic education classrooms, vocational education/counseling areas, library facilities, an assessment center, multicultural services, and administrative office space.

Funding and Cost Verification

This project is within cost.

\$14,335,000 total authorized project costs

\$14,335,000 total estimated project costs

\$13,703,000 project costs from lease-revenue financing

\$632,000 project costs from state General Fund

CEQA

The Department certifies that the project is in compliance with CEQA.

Due Diligence

Due diligence was completed on June 26, 2003.

Project Schedule

The project schedule is as follows:

Complete Construction:	June 2006
Building Occupancy:	October 2006

Staff Recommendation: Adopt the resolution

BOND ITEM

BOND ITEM – 3

**DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
IRONWOOD STATE PRISON, BLYTHE, CORRECTIONAL TREATMENT CENTER, PHASE II
RIVERSIDE COUNTY**

Authority: Chapter 157/03, Item 5240-303-0660 (1), 61.34.426

**DEPARTMENT OF CORRECTIONS AND REHABILITATION (5225)
CALIFORNIA STATE PRISON, SACRAMENTO, PSYCHIATRIC SERVICES
UNIT/ENHANCED OUTPATIENT CARE, PHASE II
SACRAMENTO COUNTY**

Authority: Chapter 157/03, Item 5240-301-0660 (5)

Adopt a resolution to:

1. Authorize the sale of the State Public Works Board Lease Revenue Bonds (Department of Corrections and Rehabilitation) 2006 Series H (Various Correctional Projects).
2. Approve the form of and authorize the execution of Site Lease between the Department of General Services and the State Public Works Board.
3. Approve the form of and authorize the execution of Facility Lease between the Department of Corrections and Rehabilitation and the State Public Works Board.
4. Approve the form of and authorize the execution of a Supplemental Indenture between the State Treasurer and the State Public Works Board.
5. Approve the form and authorize the execution of a Continuing Disclosure Agreement.
6. Approve the form of and authorize the execution and delivery of a Preliminary Official Statement.
7. Approve and authorize the execution and delivery of an Official Statement.
8. Approve other related actions in connection with the authorization, issuance, sale, and delivery of said revenue bonds.

Estimated Project Costs to be Financed:	\$22,505,000
Estimated Par Value of Bonds to be Issued:	\$23,260,000 with
“To Not Exceed” Par Amount to be approximately:	\$28,000,000

APPROVE 4/0 (1 VOTE NOT COUNTED)

BOND ITEM

STAFF ANALYSIS ITEM – 3

Department of Corrections and Rehabilitation
Correctional Treatment Center, Ironwood State Prison
Psychiatric Services Unit/Enhanced Outpatient Care, California State Prison (Sacramento)
Sacramento County

Action Requested

The requested action would authorize the sale of the lease revenue bonds and other related actions in connection with the issuance, sale, and delivery of said revenue bonds, including approving the forms of and authorizing the execution and delivery of a supplemental indenture, two site leases, two facility leases, a continuing disclosure agreement, a preliminary official statement, and an official statement.

Scope Description

These projects are within scope.

Correctional Treatment Center, Ironwood State Prison

This project will primarily entail renovating the existing Health Care Facility to comply with current Correctional Treatment Center licensing requirements. The project also includes constructing an addition to the existing building for medical records management, and a freestanding building for medical supply storage along with an exercise yard.

Psychiatric Services Unit/Enhanced Outpatient Care, California State Prison (Sacramento)

The SAC-Psychiatric Services Unit/Enhanced Outpatient Care Phase II Project involves the conversion of two existing buildings at SAC, a warehouse and a gymnasium. The conversion of the warehouse (containing approximately 50,000 sq. ft. of existing space) included approximately 20,120 sq. ft. of new office space with fire rated corridors; restroom; conference rooms with acoustical ceilings; an addition of an Administrative Segregation Enhanced Outpatient Program space (approx. 6,500 sq. ft.); a Psychiatric Services Unit treatment center and classrooms (approx. 9,216 sq. ft.); and an Enhanced Outpatient Program treatment center classrooms with security walls and ceilings (approx. 13,944 sq. ft.). The modifications made to the Psychiatric Services Unit housing unit work included replacing 64 high security cell doors and adding cell light switches. The improvements made to an existing gymnasium included the removal of existing temporary classrooms and the installation of a new mental health crisis bed area, including 12 new cells as an addition to the Correctional Treatment Center (approx. 6,500 sq. ft.). This project was critical to the CDCR's compliance with the U.S. District Court's decision in *Coleman v. Wilson* litigation, which mandates the CDCR to implement a comprehensive mental health delivery system.

Funding and Project Cost Verification

Correctional Treatment Center, Ironwood State Prison

\$4,208,000 total project costs for construction

Psychiatric Services Unit/Enhanced Outpatient Care, California State Prison (Sacramento)

\$18,297,000 total project costs for construction

CEQA

Correctional Treatment Center, Ironwood State Prison

CDC certifies that it has complied with the requirements of CEQA for this project. A Notice of Exemption was filed with the State Clearinghouse on November 9, 1998, and the waiting period expired on December 9, 1998, with no public comment.

Psychiatric Services Unit/Enhanced Outpatient Care, California State Prison (Sacramento)

The Notice of Exemption was filed with the State Clearinghouse on October 29, 2001, and the waiting period expired on November 28, 2001, with no public comment.

Due Diligence Status

Correctional Treatment Center, Ironwood State Prison

Due Diligence was completed on January 31, 2003.

Psychiatric Services Unit/Enhanced Outpatient Care, California State Prison (Sacramento)

DGS has completed all due diligence work.

Project Schedule

The project schedules are as follows:

Correctional Treatment Center, Ironwood State Prison

Complete construction: December 2006

Building Occupancy: January 2007

Psychiatric Services Unit/Enhanced Outpatient Care, California State Prison (Sacramento)

Complete Construction: July 2006

Building Occupancy: July 2006

Staff Recommendation: Adopt the resolution

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BOND ITEM

BOND ITEM – 4

**CALIFORNIA STATE UNIVERSITY (6610)
LOS ANGELES, PHYSICAL SCIENCE REPLACEMENT BUILDING (Wing A)
LOS ANGELES COUNTY**

Authority: Chapter 33/02, Item 6610-801-0660

Adopt a resolution to:

1. Authorize the sale of the State Public Works Board Lease Revenue Bonds—California State University, 2006 Series G, California State University, Los Angeles Physical Science Building (Wing A).
2. Approve the form of and authorize the execution of a Supplemental Indenture between the State Treasurer and the State Public Works Board.
3. Approve the form of and authorize the execution of a Site Lease between the California State University and the State Public Works Board.
4. Approve the form of and authorize the execution of a Facility Lease between the California State University and the State Public Works Board.
5. Approve the form of and authorize the execution of a Continuing Disclosure Agreement.
6. Approve and authorize the execution and delivery of a Preliminary Official Statement.
7. Approve and authorize the execution and delivery of an Official Statement.
8. Approve other related actions in connection with the authorization, issuance, sale, and delivery of said revenue bonds.

Estimated Project Costs to be Financed:	\$45,730,000
Estimated Par Value of Bonds to be Issued:	\$49,525,000 with
“To Not Exceed” Par Amount to be Approximately	\$59,000,000

APPROVE 4/0 (1 VOTE NOT COUNTED)

BOND ITEM

STAFF ANALYSIS ITEM – 4

California State University
Los Angeles, Physical Science Replacement Building (Wing A)
Los Angeles County

Action Requested

The requested action would authorize the sale of the lease revenue bonds and other related actions in connection with the issuance, sale and delivery of said revenue bonds, including the approval of the forms of and authorizing the execution and delivery of a supplemental indenture, a site lease, a facility lease, a continuing disclosure agreement, a preliminary official statement and an official statement.

Scope Description

This project is within scope. The Los Angeles Physical Science Replacement Building will be constructed in two phases, Wing A and Wing B. Wing A, the financed project, will be suitable for occupancy upon completion. Wing B is a separate project funded with general obligation bonds. Wing A will provide a 106,421 gross square foot building consisting of 65,981 assignable square feet. The building will provide laboratories to serve multiple disciplines, and faculty office space. The location of the new building will be opposite the Biology building, forming a modern science complex along the main campus concourse.

Funding and Cost Verification

This project is within cost. State Lease Revenue funding for this project is \$42,856,000, which consists of the original authorization of \$38,108,000 and \$4,745,000 augmented by the Public Works Board in June 2005. Resolutions authorizing actions to be taken to provide for interim financing and sale of lease revenue bonds were previously adopted by the Board in August 2002.

\$45,730,000 total authorized project costs

\$42,856,000 total estimated project costs

\$42,856,000 project costs from lease-revenue financing

\$2,874,000 reserve for contingencies

CEQA

The University certifies that the project is in compliance with CEQA.

Due Diligence

Due diligence was completed in August 2002.

Project Schedule

The project schedule is as follows:

Complete Construction:	October 2007
Building Occupancy:	December 2007

Staff Recommendation: Adopt the resolution

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CONSENT ITEM

CONSENT ITEM – 5

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF FORESTRY AND FIRE PROTECTION (3540)
LYONS VALLEY FOREST FIRE STATION, 17461 LYONS VALLEY ROAD
JAMUL, SAN DIEGO COUNTY
Surplus Parcel Number SSL 606

Authority: Section 4 of Chapter 870/99

Authorize the disposal of state surplus property consistent with staff analysis

APPROVE 2/0 (1 VOTE NOT COUNTED)

CONSENT ITEM

STAFF ANALYSIS ITEM – 5

Department of General Services
Department of Forestry and Fire Protection
Lyons Valley Forest Fire Station
Jamul, San Diego County

Action requested

The requested action will authorize the disposal of state surplus property.

Scope Description

This project is within scope. Pursuant to Government Code Section 11011.1 and as authorized by Section 4 of Chapter 870, Statutes of 1999, the Director of the Department of General Services (DGS), with the approval of the State Public Works Board, may sell, exchange, lease or transfer for current market value only, all or any part of approximately 0.66 acres, with a structure formerly the site of the Lyons Valley Forest Fire Station, located at 17461 Lyons Valley Road, Jamul, San Diego County. The Department of Forestry and Fire Protection (CDF) relocated to a newly constructed fire station and then declared the old site surplus to the agency's needs. When the State purchased the original site there were two separate parcels each with different owners. The larger parcel was purchased in December 31, 1934 for ten dollars, and the smaller parcel was purchased in June 24, 1939, also for ten dollars. Both of the original Grant Deeds contained language that the property was given to the State of California with the "express condition subsequent that the property shall be used only for the purpose of a

station for forest fire protection and that when said property shall ceased to be used for such purposes the same shall revert to the original grantors, their heirs or devisees. After CDF vacated the property the heirs of the original owners contacted the State and requested the return of the fire station property to the estate. Since this would be a no cost transfer to the heirs, the heirs have signed a contract to accept the property "as is with all faults", and have further agreed to indemnify the State against any and all future claims. Because of the reversionary clause and the State's decision to not use the site for Forestry and Fire Protection, the property has no monetary value to the State. DGS recommends return of the property to the heirs.

Funding and Cost Verification

The costs associated with the disposal of the state surplus property are administrative staff costs of \$26,000. DGS will contact CDF for reimbursement or payment of this cost. No future costs have been identified with the approval of this sale.

Project Schedule

The project schedule is as follows:

Anticipated close of escrow November 2006

Other

- Pursuant to Government Code 11011.1 the property was offered to state and local governmental agencies with no expressed interest.
- Because of the reversionary clause and the decision to discontinue forestry and fire protection program uses, the property has no value to the State.
- There is no potable water on the site and water had to be trucked in for CDF's use, the septic system has not been in use for many years and may not be operable.
- The heirs of both estates have contacted the State of California and requested the State return the property per the reversionary clause in the original grant deeds. The heirs have agreed to indemnify the State against any future claims, and will take the property "as is with all faults".
- The state will reserve the mineral rights without a right of surface entry in plane from the surface to a depth of 500 feet below the surface.

Staff Recommendation: Authorize the disposal of state surplus property by returning the property to the heirs of the original granting estates

CONSENT ITEM

CONSENT ITEM – 6

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
COLUSA-SACRAMENTO STATE RECREATION AREA, ARNOLD BEND RANCH, WARD
FARM
COLUSA COUNTY
DPR Project Number 008444-77, DGS Parcel Number 10388

*Authority: Public Resources Code 5005
Government Code 11005
Chapter 157/03, Item 3790-301-6029(10),
as reappropriated by Chapters 47 and 48/06, Item 3790-491*

Authorize the acquisition of real property through the acceptance of a no cost acquisition

APPROVE 2/0 (1 VOTE NOT COUNTED)

CONSENT ITEM

STAFF ANALYSIS ITEM – 6

Department of General Services
Department of Parks and Recreation
Colusa-State Sacramento Recreation Area, Arnold Bend Ranch, Ward Farm
Colusa County

Action Requested

The requested action will authorize the acquisition of real property through the acceptance of a no cost acquisition

Scope Description

This project is within scope. This request will authorize the Department of Parks and Recreation (DPR) to accept a no cost acquisition of approximately 238 acres of undeveloped land known as the “Ward Farm” situated adjacent to the Colusa-Sacramento State Recreation Area. The Ward property consists of wetlands, riparian woodland and includes approximately 143 farmable acres that is currently being used to grow lima beans. The Grantor, The Nature Conservancy (TNC) acquired the property with grant funds and private donations. TNC is transferring the ownership of the property to DPR at no cost as an addition to the Colusa-Sacramento State Recreation Area.

Funding and Cost Verification

This project is within cost. The Public Resources Code, Section 5005 allows the DPR to receive and accept in the name of the people of the State any gift, dedication, devise, grant, or other conveyance of title to or any interest in real property, including water rights, roads, trails, and rights-of-way, to be added to or used in connection with the State Park System. It may receive and accept gifts, donations, contributions, or bequests of money to be used in acquiring title to or any interest in real property, or in improving it as a part of or in connection with the State Park System, or to be used for any of the purposes for which the department is created. It may also receive and accept personal property for any purpose connected with the State Park System.

Chapter 157/03, Item 3790-301-6029(10), as reappropriated by Chapters 47 and 48/06, Item 3790-491, provides a total of \$35,000,000 for the acquisition of high priority parcels of land. The balance of the appropriation is sufficient for overhead costs (e.g., title and escrow fees and Department of General Services (DGS) staff time to conduct due diligence) of the subject property (\$8,000) in accordance with legislative intent.

CEQA

A Notice of Exemption was filed with the State Clearing House on August 15, 2005, and the 35-day statute of limitations expired on September 19, 2005.

Project Schedule

The project schedule is as follows:

Anticipated close of escrow November 2006

Condition of Property

The Department of General Services (DGS), Environmental Services Section (ESS) staff conducted a follow up site visit to the Arnold Bend Ranch-Ward Farm on August 29, 2006. The subject property is located adjacent to the Colusa-Sacramento State Recreation Area, and the Sacramento River Wildlife Area-Colusa North, owned by the Department of Fish and Game, and bounded by the Sacramento River to the east. The property consists of riparian land near the Sacramento River that includes cottonwood, box elder, willow, and walnut trees. Other plant species include grape, Johnson grass, and thistle species. Over half of the property is dry farmed with a bean crop. The previous Condition of Property Statement was completed on August 2, 2005, and contained the following information: The acquisition consists of approximately 238 acres (revised from the previous 250 acres in the 2005 report) of agricultural/orchard land located at Arnold Bend along the Sacramento River in Colusa County, California.

A Phase I Environmental Site Assessment report prepared by Hanover Incorporated on December 29, 2000, was reviewed by DGS/ESS staff and found to be in accordance with American Society of Testing and Materials standards. No recognized environmental conditions were identified with the proposed acquisition property during the site assessment (Hanover 2000).

Chemicals, i.e., pesticides, herbicides and fertilizers, are currently being used on the property in association with the lima bean dry farming operation. The current property owner indicated that all chemicals are used according to the manufacture's recommendations and that no incidents of spills, leaks, or unauthorized releases have occurred. From 1945 to 1972, DDT (dichlorodiphenyltrichloroethane) was one of the most widely used chemicals for the control of insects. While DDT was banned in 1973 due to its effects on health and the environment, it is possible that DDT was employed on subject property. The half-life of DDT in the soil has been estimated to be between 2-15 years. It is possible that if DDT were used on the subject property residual concentrations may be detected in the soil. Based on the estimated half-life of the DDT and information provide by the property owner, residual DDT is not considered a recognized environmental condition in connection with the subject property (Hanover 2000).

Additionally, electric service and power poles are located on the subject property. The electric service was used in the past for irrigation operations, e.g., pumps, etc., but are not currently utilized. No other potential problems with hazardous materials, e.g., ground and /or vegetation staining was observed during the DGS/ESS site visit and the property is compatible with the proposed future use as an addition to the Colusa-Sacramento River State Recreation Area.

Other:

- The property is unimproved and there is no relocation assistance involved with this project.
- The DPR is not aware of any lawsuits pending concerning the property. The Property Acquisition Agreement (PAA) will require delivery of title to the property free and clear of any mortgages or liens.
- The TNC acquired the property with grant funds from the U.S. Department of the Interior Bureau of Reclamation, U.S. Department of the Interior Fish and Wildlife Service, the State of California Resources Agency, and private donations for a purchase price of \$965,812.50 (appraised at \$972,812.50). The purpose of the Federal funding was for TNC to acquire and preserve riparian habitat along the Sacramento River to provide habitat for Federally-listed, State-listed and other sensitive species that use riparian corridors. The purpose of the funding granted from the State was for TNC to acquire, restore and manage the property pursuant to CALFED Bay Delta Program goals and objectives for ecosystem restoration.

- The TNC offered the property to the DPR at no cost with the condition that a Use Restriction Agreement be entered into and recorded requiring the State to use the property for State Park purposes. The use restriction can be removed if either of two actions occur: (1) the Legislature makes a finding that all or part of the property is in excess of the State's foreseeable needs and therefore, authorizes the sale of the property; or (2) the State Public Works Board (PWB) recommends that a transfer of the property to another State agency is necessary for a higher and better public purpose. If at any time in the future the State desires to use the property or any portion thereof, for a different purpose than specified by the grant funding requirements, the State will need to notify the granting agencies of its intent and shall request and follow disposition instructions from the agencies for the property.
- The TNC has a Farming Contract with a lima bean grower that will terminate on November 15, 2006. However, DPR may negotiate a new contract with the grower because the bean crop is effective for weed control on the property.
- The PAA does not include the State's standard indemnification language, potentially exposing the State to additional fiscal liability; however, the DGS/ESS site visit of the property did not identify conditions that would likely pose an exceptional risk to the State. Further, given the fact that the property is largely unimproved natural habitat, the risk associated with acquiring this property without the standard indemnification language does not relieve the seller of liability under existing law.
- There is an oil, gas and mineral reservation by a former property owner situated 500 feet or more below the surface of the property that includes a one acre area that encompasses the property's highest point of elevation allowing for surface rights to drill a well for the production of natural gas and its normal by-products. It has been determined by DGS legal staff that this property right belonging to the former owner shall not have an adverse effect on the use of the property by DPR, and there is indemnification included in the Grant Deed to TNC that will pass to the State upon close of escrow.
- Staffing pertaining to the acquisition will be absorbed within the DPR's existing support budget.
- Pursuant to Government Code Section 11005, gifts of real property in fee must be approved by the Director of the Department of Finance. In addition, administrative policy requires that departments requesting the approval of gifts of real property first obtain approval from the PWB.

Staff Recommendation: **Authorize the acquisition of real property through the acceptance of a no cost acquisition**

CONSENT ITEM

CONSENT ITEM – 7

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
OCOTILLO WELLS STATE VEHICULAR RECREATION AREA
IMPERIAL COUNTY

DGS Parcel Numbers 6265, 6273, 6438, 6468, 6594

DPR Parcel Numbers A21633, A21642, A21828, A21858, A21981

*Authority: Chapter 324/98, 3790-301-0263(1),
as reappropriated by Chapter 106/01, Item 3790-490*

Authorize acquisitions consistent with staff analysis

APPROVE 2/0 (1 VOTE NOT COUNTED)

CONSENT ITEM

STAFF ANALYSIS ITEM – 7

Department of Parks and Recreation
Ocotillo Wells State Vehicular Recreation Area (In-holdings)
Imperial County

Action requested

Authorize acquisitions for this project.

Scope Description

This project is within scope. The Department of Parks and Recreation (DPR) received funding approval by the Legislature for the acquisition of approximately 7,800 acres of unimproved desert land within the eastern portion of the Ocotillo Wells State Vehicle Recreation Area (SVRA) Park. Since the inception of this legislation the DPR has contracted the services of the Department of General Services (DGS) to acquire in-holdings located within the confines of the SVRA. To date, the DGS has acquired approximately 3,254. This request will authorize acquisition of fee simple in approximately 47.72 acres of in-holdings as identified below.

Owner(s)	DGS Parcel(s)	DRP Parcel(s)	Acres	Purchase Price
Roger K. Coombs, Trustee – 1995 Coombs Family Trust	6265	A21633	30.0	\$9,000
Awakuni Trust dated October 25, 1995	6468	A21858	10.0	\$4,500
Irene K. Hunter	6438	A21828	5.0	\$3,500
Robert Ball	6273	A21642	0.22	\$1,500
Richard Delena	6594	A21981	2.5	\$2,000
		Total	47.72	\$20,500

Funding and Cost Verification

This project is within cost. Chapter 324/98, Item 3790-301-0263(1) provides \$3,600,000 for this acquisition program. The property can be acquired within the remaining funds available and in accordance with legislative intent.

\$3,600,000 total authorized project costs

\$3,600,000 total estimated project costs

\$2,302,000 project costs previously allocated for various acquisitions

\$24,000 project costs to be allocated for these acquisitions: acquisitions \$21,000, DGS staff costs (title and escrow fees) \$3,000

\$1,274,000 project funds remaining for future acquisitions

CEQA

A Notice of Exemption (NOE) was filed with the State Clearinghouse on September 1, 2006 and the 35-day statute of limitations expired on October 5, 2006.

Project Schedule

The project schedule is as follows:

Anticipated close of escrow December 2006

Condition of Property

On October 27, 2005, a condition of property review of the perspective acquisition parcels for the SVRA was conducted by DGS/ESS staff. The proposed acquisitions consist of 48 parcels ranging in size from 0.22 acres to 30 acres. The parcels are located as existing in-holdings or in close proximity to the SVRA. The average rainfall is approximately three inches per year. Temperature in the summer can exceed 115 degrees, while winter temperatures can range below 30 degrees. Plant life has adapted to these conditions and is noteworthy primarily because of the predominance of Ocotillo dessert landscape. All of the parcels proposed for acquisition are either in an area of gently sloping topography or within the "badlands" made up of dissected, rapidly eroding topography. During the site review, no improvements were observed on any of the properties nor were any environmental hazards found. A Phase 1 Environmental Site Assessment is not recommended.

Other:

- This project was approved for site selection by the State Public Works Board on February 9, 2001.
- The purchase prices do not exceed the fair market value as determined by a DGS appraisal.
- Implied dedication may exist because an undetermined portion of the subject parcels may be subject to public use. The desert terrain is typically traversed by the general public without regard for ownership and use of the land is open and notorious.
- Although there has been no history of contamination, the DPR has conducted a review of the property for evidence of contamination from hazardous and toxic materials and there was no evidence or indication of contamination found.
- The DPR is not aware of any lawsuits pending concerning the property. The property acquisition agreement will require delivery of clear title to the property.
- The property is vacant and unimproved.
- The State was not able to purchase the mineral rights on certain parcels being acquired. The DPR has determined that the extraction of oil or minerals will not unreasonably interfere with the use of the property. With respect to the Ocotillo Wells SRVA, Public Resources Code 5006.45(c) permits the extraction of mineral rights at the SVRA.
- The staffing pertaining to this acquisition will be absorbed within the DPR's existing support budget.

Staff Recommendation: Authorize acquisitions

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CONSENT ITEM

CONSENT ITEM – 8

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
MONTEREY STATE BEACH, SAND CITY – BIG SUR LAND TRUST AND ANASTASI TRUST
MONTEREY COUNTY
DPR Parcel Number 003183-77, DGS Parcel Number 10418

*Authority: Chapter 157/03, Item 3790-301-6029(10),
as reappropriated by Chapters 47 and 48/06, Item 3790-491*

Authorize site selection consistent with staff analysis

APPROVE 2/0 (1 VOTE NOT COUNTED)

CONSENT ITEM

STAFF ANALYSIS ITEM – 8

Department of General Services
Department of Parks and Recreation
Monterey State Beach, Sand City - Big Sur Land Trust and Anastasi Trust
Monterey County

Action requested

The requested action will authorize site selection for this project.

Scope Description

This project is within scope. The Legislature has approved funding from Proposition 40 (California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002) for new State Park System acquisitions without specifying particular parcels. This request will authorize site selection of an undivided fee simple interest of either 50 or 100 percent in 15 parcels totaling approximately 1.47 acres. The property is adjacent to the existing Monterey State Beach and currently has two owners, each with a 50 percent interest. The DPR's intends to acquire an undivided 50 percent fee simple interest in the parcels from both the Anastasi Trust and the Big Sur Land Trust. The acquisition of these parcels will preserve vital habitat for Western Snowy Plover, endangered Smith's Blue Butterfly and provide passive recreation.

Funding and Cost Verification

This project is within cost. This project is within cost. Chapter 157/03, Item 3790-301-6029(10), as reappropriated by Chapter 47 and 48/06, Item 3790-491, provide funding for this acquisition in fee simple interest and associated overhead for the real property. The balance of the appropriation is sufficient to acquire the subject property in accordance with legislative intent.

Project Schedule

The project schedule is as follows:

Anticipated close of escrow January 2007

Condition of Property

Department of General Services, Environmental Services Section (DGS/ESS) staff conducted a site visit of the property on January 4, 2006. The acquisition consists of approximately 1.47 acres of unimproved rolling sand dunes area which has been subdivided into "paper" lots. The property is located within Sand City, Monterey County, California. Fell Street is the southerly boundary, Tioga Avenue on the north, Sand Dunes Drive to the east, and Ocean View Avenue along the bluff overlooking Monterey Bay as the westerly boundary.

DGS/ESS staff indicated that a Phase I ESA was not deemed necessary due to the nature (rolling sand dunes) and condition (no evidence of improvements, past or present) of the land. No other potential problems with hazardous materials, e.g., ground and/or vegetation staining was observed during the ESS site visit and the property is compatible with the proposed future use as an addition to the Monterey State Beach for purposes of habitat protection and recreation use.

Big Sur Land Trust provided a copy of a Phase I Environmental Site Assessment (ESA) report conducted on March 16, 2006. The report does not recommend any further investigation of this property.

Other:

- The State Public Works Board (PWB) previously approved two acquisitions (the R-3 Area and Park Appraisal Area) to Monterey State Beach, Sand City, on August 18, 2006.
- The purchase price will not exceed the estimated fair market value as determined by a DGS approved appraisal.
- The property is vacant and unimproved.
- There is no implied dedication applicable to this property.
- This acquisition will prohibit any development on the property and will decrease likelihood of development of smaller surrounding parcels.
- There is no relocation assistance involved with this project.
- This property is adjacent to the existing Monterey State Beach and is inland from the beach.
- The DPR intends to use the property for habitat protection and to protect the viewshed. As such, no additional support needs are anticipated with the acquisition of this property.
- While the DPR does not foresee changes at this time to public access, development, or resource needs, any such changes will be addressed through the normal budget process.

Staff Recommendation: Authorize site selection

CONSENT ITEM

CONSENT ITEM – 9

UNIVERSITY OF CALIFORNIA (6440)
SAN DIEGO CAMPUS, CHILLED WATER AND ELECTRICAL DISTRIBUTION
IMPROVEMENTS
SAN DIEGO COUNTY

Authority: Chapters 47 and 48/06, Item 6440-301-6048(9)

Approve preliminary plans

APPROVE 2/0 (1 VOTE NOT COUNTED)

CONSENT ITEM

STAFF ANALYSIS ITEM – 9

University of California
San Diego Campus, Student Academic Support Services
San Diego County

Action requested

The requested action will approve preliminary plans.

Scope Description

This project is within scope. The Chilled Water and Electrical Distribution Improvements project will provide the chiller for an additional 2,000 tons of cooling capacity in the Central Utility Plant using space created by the removal of an old standby boiler that is no longer useful. In addition, two (2) electrical circuits with underground conduit ductbanks and cabling will be added to the 12 KV primary electrical distribution system from the new North Campus Electrical Substation to the University Center area of campus.

Funding and Project Cost Verification

This project is within cost.

\$3,307,000 total authorized project costs

\$3,307,000 total estimated project costs

\$150,000 project costs previously allocated: preliminary plans -- \$150,000 (campus funds)

\$3,157,000 project costs to be allocated: working drawings -- \$186,000 (State funds);
construction -- \$2,971,000 (State funds)

CEQA

The University certifies that the project is in compliance with the requirements of CEQA.

Due Diligence

University of California (UC), on behalf of the Regents of the UC, is vested with the authority for management of the property for the benefit of the university and acknowledges that they have full responsibility for reviewing and clearing due diligence title issues for general obligation bond funded projects.

Project Schedule

The project schedule is as follows:

Approve working drawings:	February 2007
Complete construction:	December 2007

Staff Recommendation: Approve preliminary plans

CONSENT ITEM

CONSENT ITEM – 10

**CALIFORNIA STATE UNIVERSITY (6610)
DOMINGUEZ HILLS, EDUCATIONAL RESOURCE CENTER ADDITION
LOS ANGELES COUNTY**

Authority: Chapters 38 and 39/05, Item 6610-301-6041(1.5)

Approve reversion due to project termination \$34,584,000

APPROVE 2/0 (1 VOTE NOT COUNTED)

CONSENT ITEM

STAFF ANALYSIS ITEM – 10

California State University
Dominguez Hills, Educational Resource Building Addition
Los Angeles County

Action requested

Approve a reversion due to project termination.

Scope Description

This project is within scope. The project scope includes the construction of a 101,400 assignable square feet (ASF)/139,600 gross square feet (GSF) library addition to the existing 105,000 ASF/152,000 GSF, 34-year-old Leo F. Cain Educational Resources Center (ERC). The ERC addition, combined with the existing facility, will provide sufficient resource information space to serve 12,000 full time equivalent students. The combined project will provide for 83,771 ASF in bookstacks area, of which, 16,571 ASF will be in movable aisle compact storage. The combined project will also provide 63,552 ASF in student reader stations, 18,225 ASF in technical processing and public service areas and 2,538 ASF to provide faculty development services in the Center for Teaching and Learning.

Funding and Cost Verification

This project is not within cost. CSU is requesting a reversion \$34,854,000 in construction funds appropriated in the 2005 Budget. The project received funding for preliminary plans and working drawings in 2004-05 and the design is complete. Despite painstaking efforts to attract bidders, the campus received only a single bid of \$48,347,000 for the ERC addition project (from S.J. Amoroso on June 26, 2006). This was 56 percent greater than the budgeted construction amount of \$30,599,000. The project was advertised in a trade paper and a local newspaper a month prior to the scheduled bid date. Contact was made with 44 prequalified general contractors to encourage their participation in bidding. Two contractors attended the bid opening, but only S.J. Amoroso submitted a bid. Throughout the design process the campus and design team remained cautious about the budget and scope. Extensive value engineering and quality reductions reduced the cost estimate by \$5,069,000 without impacting the project scope. The wide disparity between current cost estimate and the construction budget (56% minimum) preclude the possibility of continuing without a new appropriation. A new appropriation will be requested in 2007-08.

On October 6, 2006, the Department of Finance notified the chairs of the Joint Legislative Budget, the Senate Appropriations, and Assembly Appropriations Committees of its intent to approve this scope change at the November 17, 2006 State Public Works Board meeting.

\$36,601,000 total authorized project costs

\$36,601,000 total estimated project costs

\$36,601,000 project costs previously allocated: preliminary plans \$869,000, working drawings \$856,000, construction \$34,876,000 (contract \$30,599,000; contingency \$1,530,000; and construction management \$2,747,000) at CCCI 4328

\$34,854,000 requested reversion

CEQA

The university certifies that the project is in compliance with the requirements of CEQA.

Project Schedule

The project schedule is as follows:

Completed preliminary plans:	July 2005
Complete working drawings:	June 2006
Start Construction:	September 2007
Complete construction:	September 2009

Staff Recommendation: Approve the reversion and project termination

CONSENT ITEM

CONSENT ITEM – 11

CALIFORNIA STATE UNIVERSITY (6610)
LOS ANGELES, SCIENCE REPLACEMENT BUILDING, WING B
LOS ANGELES COUNTY

Authority: Chapter 208/04, Item 6610-302-6041(8)

Approve reversion due to project termination \$30,217,000

APPROVE 2/0 (1 VOTE NOT COUNTED)

CONSENT ITEM

STAFF ANALYSIS ITEM – 11

California State University
Los Angeles, Science Replacement Building, Wing B
Los Angeles County

Action requested

Approve a reversion due to project termination.

Scope Description

This project is within scope. The project scope includes the building of the North Wing of the Science Replacement Building, adding to the previously funded Wing A and completing the new interdisciplinary laboratory building. Wing B will be 54,000 assignable square feet (ASF)/87,100 gross square feet (GSF). The building will provide lecture and laboratory, and faculty office space to serve multiple disciplines in both the upper and lower divisions.. With it's adjacency to the biology building, it will create a modern science complex in the campus core. The estimated future equipment costs are \$3,786,000.

Funding and Cost Verification

This project is not within cost. CSU is requesting a reversion of \$30,217,000 of the original \$31,082,000 in funds appropriated for preliminary plans, working drawings, and construction. A request for proposal to prequalified design/build teams for Wing B was issued on January 10, 2006, with bids due April 6, 2006. The pre-bid meeting was held on January 26, to allow bidders to see the site and ask questions. Four design/build teams attended. All of the teams challenged the possibility of building the project for the advertised budget and demurred from bidding unless there could be some provisions for either changing the scope or the budget. Subsequently two of the teams provided a preliminary cost estimate without submitting a formal bid. A.C. Martin also provided an updated cost estimate at this time. In addition, the campus commissioned Cummings Clarke Estimators to provide an estimate of the project based on the pre-schematic bid documents. The estimates ranged from \$39,900,000 to \$45,788,000. The wide disparity between current cost estimates and the construction budget (56% minimum) preclude the possibility of continuing without a new appropriation. Funds expended for the project at this time include \$662,000 in preliminary plans and \$203,000 for design consultants and project management costs associated with the unsuccessful design/build RFP process. A new appropriation will be requested in 2007-08.

On October 6, 2006, the Department of Finance notified the chairs of the Joint Legislative Budget, the Senate Appropriations, and Assembly Appropriations Committees of its intent to approve this scope change at the November 17, 2006 State Public Works Board meeting.

\$31,802,000 total authorized project costs

\$31,082,000 total estimated project costs

\$31,082,000 project costs previously allocated: preliminary plans \$662,000, working drawings \$847,000, construction \$29,573,000 (contract \$25,940,000; contingency \$1,297,000; and construction management \$2,336,000) at CCCI 4100.

\$30,217,000 requested reversion (working drawings \$644,000; construction \$29,573,000)

CEQA

A Notice of Exemption was filed with the State Clearinghouse

Project Schedule

The project schedule is proposed as follows:

Complete preliminary plans:	December 2006
Complete working drawings:	December 2007
Start Construction:	February 2008
Complete construction:	August 2009

Staff Recommendation: Approve the reversion and project termination

ACTION ITEM

ACTION ITEM – 12

DEPARTMENT OF GENERAL SERVICES (1760)
DEPARTMENT OF PARKS AND RECREATION (3790)
EL PRESIDIO DE SANTA BARBARA STATE HISTORIC PARK, 828 SANTA BARBARA
STREET
SANTA BARBARA COUNTY
DPR Parcel Numbers 840877, DGS Parcel Number 10393

*Authority: Chapter 157/03, 3790-301-6029(10),
as reappropriated by Chapters 47 and 48/06, 3790-491*

Authorize acquisition consistent with staff analysis

APPROVE 2/0 (1 VOTE NOT COUNTED)

ACTION ITEM

STAFF ANALYSIS ITEM – 12

Department of General Services
Department of Parks and Recreation
El Presidio de Santa Barbara State Historic Park, 828 Santa Barbara Street
Santa Barbara County

Action requested

The requested action will authorize acquisition consistent with the staff analysis.

Scope Description

This project is within scope. The Legislature has approved funding from Proposition 40 (California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002) for new State Park System acquisitions without specifying particular parcels. This request will authorize acquisition of approximately 0.11 acres of commercially zoned property that housed the historic El Presidio de Santa Barbara, the oldest building in Santa Barbara and one of the oldest in California. This stand alone parcel is an addition to the existing El Presidio de Santa Barbara State Historic Park (El Presidio). El Presidio is a joint management effort between the Department of Parks and Recreation (DPR) and the Santa Barbara Trust for Historic Preservation (Trust). The purpose of this acquisition is to provide an eventual opportunity to restore properties associated with the early historic development of Santa Barbara.

Funding and Cost Verification

This project is within cost. Chapter 157/03, Item 3790-301-6029(10), as reappropriated by Chapters 47 and 48/06, Item 3790-491, provides a total of \$35,000,000 for the acquisition of high priority parcels of land. The balance of the appropriation is sufficient to acquire the subject property in accordance with legislative intent.

\$ 573,000 total authorized project costs

\$ 573,000 total estimated project costs

\$2,000 project costs previously allocated (DGS staff costs for appraisal review, ESS site visit and CEQA document preparation, and staff review)

\$ 571,000 project costs to be allocated: \$500,000 for acquisition, \$61,000 for relocation assistance benefits and approximately \$10,000 for title, escrow and other review fees

CEQA

A Notice of Exemption was filed with the State Clearinghouse on July 5, 2006 and the statute of limitations expired on August 9, 2006.

Project Schedule

The project schedule is as follows:

Anticipated close of escrow November 2006

Condition of Property

The Department of General Services, Environmental Services Section (DGS/ESS) conducted a site survey of the proposed acquisition at 828 Santa Barbara Street in Santa Barbara, California on April 21, 2006. The property consists of a small urban parcel containing a single-story residence and large detached commercial-style garage. The property is associated with the adjacent Santa Barbara Presidio and the site of the historic Phelan Adobe.

The small, wood-frame house is currently rented for residential purposes; the garage provides storage space for various household items. The parcel is bounded by other residential/commercial buildings associated with the historic Phelan Adobe and contemporary commercial establishments. The house and garage are in fair to moderate condition. Both appear safe to occupy. Phase I/II environmental site assessment reports that were prepared during the original acquisition of this parcel in the mid-1990's indicated the only environmental due diligence concern was with potential residues from the historic (1930-50's) use of the garage for commercial purposes such as automotive repair and painting. Groundwater and soil tests from the Phase II assessment, however, concluded there was no evidence of contamination on or under the parcel. While near-surface groundwater in downtown Santa Barbara is typically degraded below the quality needed for domestic use, this site is not considered a potential source of such contamination.

The land-uses adjacent to the parcel also do not suggest potential sources of soil or groundwater contamination. While the two structures have not been subjected to extensive testing, it appears likely lead-based paint is present on some exterior and interior surfaces. The garage structure does not appear to have any remaining equipment associated with automotive repair and painting. The site assessment did not find evidence of past industrial uses such as petroleum storage tanks, mechanical equipment, asbestos insulation, etc.

A new Phase 1 Environmental Site Assessment Report was prepared on August 3, 2006, and it was reviewed and approved by DGS/ESS on August 4, 2006.

Other:

- The State Public Works Board approved this project for site selection on September 8, 2006.
- The purchase price shall not exceed the estimated fair market value of the property as determined by DGS. The property has an approved valuation of \$625,000 and the purchase settlement is in the amount of \$500,000.
- The DPR has an existing Operating Agreement (OA) with the Trust for the Trust operator to acquire property, develop, manage and operate El Presidio for DPR. Under this OA all properties acquired for El Presidio are to be added to the terms and conditions of the OA in the form of an amendment, which identifies the new property as an addition and subject to the terms and conditions of the OA. An amendment to the OA to add this property is being processed by DPR as part of this acquisition. The purpose of the OA is to allow the Trust to be the interpretative lead in developing, improving, restoring, maintaining, operating and administering the restoration of El Presidio. It is stated in the OA that the State shall incur no financial obligations. The Trust receives the revenue generated from El Presidio (i.e., parking lot rent, any concessions, etc.) and secures grants and private donations to be able to acquire new property within the El Presidio foot print and manages the park.
- The property includes a small wood frame cottage and a larger storage building. Under the terms of an existing lease, currently a month-to-month holdover, the lessee has the right to use the premises for automotive leasing, sales and storage, office and residence. Currently, the lessee under a hold-over, month-to-month tenancy is using the larger storage building for storage and sublets the cottage to two sub-tenants as a residence.

It is DPR's intent to terminate the existing tenancies and keep the structures. The larger storage building will be used by the Trust for storage of El Presidio artifacts and the cottage will remain vacant until such time as the Trust has funds available for restoration.

- The lessee and the two sub-tenants are entitled to relocation assistance. The DPR, at site selection, did not identify any relocation assistance involved because it felt that the waiver of relocation benefits between the current owner and tenant would negate that obligation. DGS, upon review of the lease, has determined that the waiver of relocation benefits would not be effective because no offer of an amount had been disclosed to the tenant at the time of the waiver such that no knowing waiver was possible. The DPR understands and accepts this position and DGS completed a Relocation Entitlement Report and the cost of relocation is estimated to be \$60,808. The DPR has sufficient funds to be able to pay these relocation costs.
- The Property Acquisition Agreement (PAA) does not include the state's standard indemnification language, potentially exposing the state to additional fiscal liability; however, the DGS/ESS site visit of the property did not identify conditions that would likely pose an exceptional risk to the state. Further, there is language in the PAA that that omission of general indemnification language from the agreement is not intended to be a waiver of any rights or recourse the state may have against the seller or any prior owner that may have in any way caused any release of hazardous materials or damage to the property. The lack of indemnification language does not relieve the seller of liability under existing law.
- The DPR is not aware of any lawsuits pending concerning the property. The Property Acquisition Agreement will require delivery of title to the property free and clear of any mortgages or liens.
- There is no implied dedication applicable to this property.
- The DPR does not anticipate the need for additional staffing and operating expense support in order to continue operation of this acquisition under the current OA.
- Any changes to public access, use, development, or resource protection will be provided by the local Trust operator or addressed through the normal budget process.

Staff Recommendation: Authorize acquisition

ACTION ITEM

ACTION ITEM – 13

SAN JOAQUIN RIVER CONSERVANCY (3830)

San Joaquin River Parkway and Conservation Trust, Incorporated
Addition of Properties to the Agreement to Provide Public Access and for Limited Public Entity
Tort Immunity for a Public Benefit Nonprofit Organization

Authority: Government Code Section 831.5

Approve addition of listed properties to the Agreement with the San Joaquin River Parkway and Conservation Trust, Incorporated, a Public Benefit Nonprofit Organization, to Provide Public Access and Limited Public Entity Tort Immunity, and authorize the Administrative Secretary to execute Letter Agreements or amendments thereto on behalf of the Board

APPROVE 2/0 (1 VOTE NOT COUNTED)

ACTION ITEM

STAFF ANALYSIS ITEM – 13

Addition of Properties to the Agreement to Provide Public Access and for Limited Public Entity
Tort Immunity for a Public Benefit Nonprofit Corporation

Action Requested:

The requested action will approve the addition of properties to the Agreement to Provide Public Access and to Qualify Nonprofit Organization for Limited Public Entity Tort Immunity with the San Joaquin River Parkway and Conservation Trust, Inc. (Trust), and authorize the Administrative Secretary to execute Letter Agreements or amendments thereto on behalf of the Board.

Discussion:

The Trust is a California public benefit nonprofit corporation whose main purpose is to develop and operate public access along the San Joaquin River. Other purposes of the Trust include the preservation and restoration of wildlife habitat, wetlands, historic sites, recreational land use and agricultural land use. On March 9, 2001, the State Public Works Board (Board) approved to enter into an agreement with the Trust pursuant to Government Code Section 831.5.

Government Code Section 831.5 authorizes certain types of nonprofit organizations to avail itself to the benefits of limited “public entity” status for purposes of limiting their tort liability. To secure these benefits, a nonprofit organization must meet the following requirements:

1. It is a nonprofit organization existing under the provisions of Section 501(c) of the United States Internal Revenue Code;

2. It has specifically set forth in its articles of incorporation, as among its principal charitable purposes, the conservation of land for public access, agricultural, scientific, historical, educational, recreational, scenic or open space opportunities; and
3. It has entered into an agreement with the Board requiring the public land trust to hold the lands or where appropriate, to provide nondiscriminatory public access consistent with the protection and conservation of the natural resource.

The Trust met the first and second requirements of Government Code Section 831.5 and previously requested that the Board enter into an agreement to meet the third requirement on March 9, 2001. The agreement does not obligate the Board to perform any specific tasks or management; however, the Board needs to periodically review the agreement and determine if the Trust is in compliance with the terms and conditions. To this end, the agreement provides for the Trust to submit an annual report to the Board, which will address any status changes of the subject properties. Although the statute had been effective since 1980, this was the first such agreement the Board has been asked to enter into.

Status of Properties Previously Added to the Agreement:

The addition of the following properties, as previously approved by the Board when it approved the agreement with the Trust on March 9, 2001, enabled the Trust to manage additional properties and provide increased public access:

1. **Riverview Ranch**—The current agreement covers a 4-acre historic site of a 20-acre parcel, consisting of an 1890s ranch house, dairy barn, and outbuildings. It is owned by the Trust.
2. **Kiwanis Camp Pashayan**—The property consists of 31 acres of natural lands and river access with a parking area, restrooms and picnic grounds. The property comprises two separate parcels: 11 acres owned by the Trust, and 20 acres owned by the Department of Fish and Game (DFG)
3. **Jensen River Ranch**—The property consists of 167 acres of riparian and natural lands with river access, hiking trails and a restroom facility. The property is adjacent to Woodward Park, a regional park in the City of Fresno. It is owned by the San Joaquin River Conservancy (Conservancy).
4. **Milburn Unit**—The property consists of 286 acres of riparian natural lands and open water ponds that is part of the DFG's San Joaquin River Ecological Reserve. The property has limited public access via a gate and gravel road. It is owned by the DFG.
5. **Hansen Farm**—The property consists of 33.6 acres of natural riparian lands and is contiguous with the Milburn Unit. It is owned by the DFG.
6. **Willow Unit**—The property consists of 237.9 acres of riparian and riparian-associated grasslands. Improvements are limited to ranch roads, fences, and gates. It is owned by the DFG.
7. **Rank Island**—The property consists of a 271.88-acre island consisting of riparian habitat with open ponds. Property improvements are limited to ranch roads. It is owned by the DFG.

Information on Additional Properties to be Added to the Agreement:

The agreement sets forth a process whereby properties may be added or deleted from the agreement. This process entails executing and/or amending letter agreements. The Trust is

seeking approval to add the following properties to the agreement to provide additional public access that the state would not otherwise be able to provide:

8. **Schneider Property**—The property consists of 87.4 acres of riparian and riparian-associated grassland habitat. Property improvements are limited to ranch roads. It is owned by the Conservancy.
9. **Scout Island**—The property consists of 84.6 acres of riparian habitat and environmental camp facilities consisting of hiking paths, small amphitheater, picnic tables, meeting room, caretaker residence, and restrooms. It is owned by the Fresno County Office of Education.
10. **Sycamore Island**—The property consists of 346 acres of riparian habitat and open ponds. Property improvements include a network of gravel roads and two storage buildings. It is owned by the Conservancy.
11. **Spano River Ranch**—The property consists of 528 acres of riparian and riparian-associated habitat with some open ponds. Improvements are currently limited to ranch roads. It is owned by the Conservancy.
12. **Proctor, Broadwell, Cobb**—The property consists of 261.54 acres of riparian and riparian-associated grassland habitat. Property improvements are limited to ranch roads. It is owned by the Conservancy.
13. **Wildwood Native Park**—The property consists of 22 acres of riparian and riparian-associated grassland habitat. Property improvements include a parking area, restrooms, and interpretive nature trail. It is owned by the Conservancy.
14. **Additional 16 acres of 20-acre Riverview Ranch, Coke Hallowell Center for River Studies (see Riverview Ranch under Existing Properties listed above)**
15. **Willow Lodge**—The property consists of 40 acres of riparian and riparian-associated grassland habitat. Property improvements include an interpretive center and nature trail. It is owned by the DFG.
16. **Ball Ranch**—The property consists of 358 acres of riparian, riparian-associated grassland habitat, and open ponds. Property improvements are limited to ranch roads and an abandoned barn. It is owned by the Conservancy.
17. **Ledger Island**—The property consists of 190.55 acres of riparian and riparian-associated grassland habitat. Property improvements are limited to ranch roads and an abandoned ranch outbuilding. It is owned by the Conservancy.
18. **River Vista**—The property consists of 220 acres of riparian, riparian-associated grassland habitat, and river bluffs. Property improvements are limited to ranch roads and an abandoned ranch outbuilding. It is owned by the Conservancy.
19. **Friant Cove**—The property consists of 6.8 acres of riparian and open land at the intersection of Road 206 and Friant Road. Property improvements are limited to dirt parking area and river access trails. It is owned by the Conservancy.
20. **Wagner Property**—The property consists of 64.23 acres of riparian, riparian-associated grasslands, and river bluff. Property improvements include a ranch house, outbuildings, and ranch roads. It is owned by the Conservancy.

21. Owl Hollow—The property consists of 6 acres of riparian habitat. Property improvements are limited to a ranch road. It is owned by the Trust.

Position of Affected State Entities:

The San Joaquin River Conservancy has indicated that it is supportive of the agreement and the request to add properties because the immunity provided enables the Trust to provide public services and programs that the Conservancy cannot due to budgetary constraints. The Conservancy and Trust enter into separate agreements for these services, which range from bringing children to the sites to coordinating volunteers.

The Department of Fish and Game supports the Trust's request to add properties to the agreement. In most cases, these properties are owned or managed in conjunction with state agencies, with one objective being to allow some form of public access or use. The Trust helps support this public use component, through services such as providing resources, managing programs and providing volunteers. Without the Trust's assistance, public use of these properties would likely be more restricted.

Staff Recommendation: **Approve addition of properties to the Agreement with the San Joaquin River Parkway and Conservation Trust, Incorporated to Provide Public Access and Limited Public Entity Tort Immunity, and authorize the Administrative Secretary to execute Letter Agreements or amendments thereto on behalf of the Board**

ACTION ITEM

ACTION ITEM – 14

**CALIFORNIA DEPARTMENT OF VETERANS AFFAIRS (8960)
YOUNTVILLE VETERANS HOME, ANNEX I RENOVATION
NAPA COUNTY**

Authority: Military and Veterans Code 1104.2, tracked as Item 8960-801-0701

Approve augmentation

**\$700,000
(4.5 percent total project costs)
(8.7 percent cumulative)**

APPROVE 2/0 (1 VOTE NOT COUNTED)

ACTION ITEM

STAFF ANALYSIS ITEM – 14

California Department of Veterans Affairs
Yountville Veterans Home, Annex I Renovation
Napa County

Action requested

The requested action will approve an augmentation for this project.

Scope Description

This project is within scope. This project consists of remodeling an existing single story 38,100 square foot historic building to be converted into an Alzheimer-Dementia care facility for the California Department of Veterans Affairs. Alterations include demolition, wall relocation; new suspended ceiling; installation of new floor covering and paint throughout; asbestos abatement; all new HVAC, power, lighting, security, and fire life safety modifications to comply with current code regulations. An addition to the building of 4,084 square feet, to accommodate programmatic requirements, will increase the overall building size to 42,734 square feet.

Funding and Cost Verification

This project is not within cost. The original cost for this project was \$15,481,000. Since that time, numerous change orders and project delays have led to the use of \$285,000 in bid savings and a \$645,000 augmentation.

A new \$700,000 augmentation (4.5 percent total project costs, 8.7 percent cumulative) is requested to correct flooring deficiencies that the contractor has not addressed, as well as legal costs and additional overhead costs as this project has been delayed an additional eight months. The \$700,000 reflects the estimated costs to replace the floor (\$1,552,000) less funding withheld from the contractor (\$1,102,000) plus assumed additional legal and project management costs (\$250,000).

\$16,126,000 total authorized project costs

\$16,826,000 total estimated project costs

\$16,126,000 amount transferred to date: preliminary plans \$836,000; working drawings \$973,000; construction \$13,667,000 (\$10,180,000 contract, \$1,277,000 contingency, \$704,000 A&E, \$807,000 other, \$984,000 agency retained)

\$700,000 augmentation requested

CEQA

A Categorical Exemption was filed with the State Clearinghouse on July 11, 2003 and the 35-day waiting period expired on August 15, 2003.

Project Schedule

The project schedule is as follows:

Complete construction: February 2007

Due Diligence

Due Diligence was completed in August 2003.

Other

As a result of the contractor's continued refusal to correct the defective flooring installation as identified by the State over six months ago, the flooring portion of the work has been removed from the contractor's control.

Staff Recommendation: Approve augmentation

OTHER BUSINESS

OTHER ITEM –

The Annual Audit Reports from Gilbert Inc.

- a. Public Buildings Construction Fund
- b. High Technology Education Revenue Bond Fund

Approve the 2006 State Public Works Board Financial Statements

APPROVE 2/0 (1 VOTE NOT COUNTED)

REPORTABLES

To be presented at meeting.

Respectfully Submitted
By:

Karen Finn
Administrative Secretary